

B. The co-owners may carry, at their own initiative and expense, the following policies:

1. A building additions and alterations endorsement to the residence's policy as set forth in A.1 above for the exclusive benefit of the co-owner.

2. A tenant's homeowner policy covering casualty to contents, burglary, and other risks.

3. A personal liability and property damage policy for the co-owner's protection.

C. An Insurance Trustee shall be selected in accordance with Appendix One.

D. In the event of a conflict between the summary contained in this paragraph XI and the provisions of Appendix One, Appendix One will govern.

XII. REPAIR, RECONSTRUCTION OR REBUILDING. Repair, reconstruction or rebuilding of the property in the condominium following damage to or destruction of all or a portion of the property in the condominium shall be governed by the provisions set forth in Appendix Two which is attached as a part of this Declaration. Some of the provisions are summarized as follows:

A. The Association will determine whether or not any part of the property in the condominium which is damaged or destroyed shall be repaired, reconstructed or rebuilt, in the following manner:

1. Damage to common areas and facilities will be repaired, reconstructed or rebuilt unless otherwise unanimously agreed by the co-owners.

2. Minor damages to residences which does not render any residence untenable will be repaired, reconstructed or rebuilt upon written application of any co-owner.

3. Damage which renders more than two-thirds (2/3) of the total property untenable will not be repaired, reconstructed or rebuilt unless other wise unanimously agreed by the co-owners in which case the provisions of the Act shall control.

4. All such repairs, reconstruction or rebuilding will be substantially in accordance with the plans and specifications for each building prior to such damage.

B. The Manager shall obtain estimates of the cost to repair, reconstruct or rebuild the property damaged as soon as practicable after damage or destruction of any of the condominium property. The cost of such repair, reconstruction or rebuilding in excess of insurance proceeds, will be assessed, with respect to damaged common areas and facilities, pro-rated among the co-owners in accordance with the percentage interests, and will be assessed against the individual co-owners of damaged residences with respect to damaged residences .

C. Proceeds of insurance and sums paid upon assessments by reason of damage to the property will be paid to the Insurance Trustee, which will be disbursed as a

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